Yukon Economic Outlook

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Yukon
Economic Development

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Economic Forecasting and Risk

This forecast examines near-term expectations for Yukon's economy, focusing on the anticipated performance of key economic indicators and sectors.

Like all forecasts, the results are dependent on the information available at the time the forecast is completed and the key assumptions incorporated in the forecast. Careful consideration was taken when developing the key assumptions for the current forecast, such as the level and timing of mining development activity, estimates of annual mineral production and the amount of construction spending. While best efforts were made to include appropriate assumptions there is a degree of risk and uncertainty associated with these assumptions and ultimately the forecast results. Key examples of potential risks to the forecast are noted below:

- Global Economic Performance – The performance of Yukon's economy is tied to the performance of other key economies, such as the U.S. and China, and to the global economy as a whole. Demand for Yukon goods and services, including minerals and local tourism activities, can depend very much on what is happening outside of Yukon.

- Metal Prices – Metal prices are a key determinant of mining activity (exploration, development and production) and are determined on the global market. Projections of several leading forecasting firms were considered in preparing this forecast.

- Energy Prices – Energy prices are also determined on the world market. For Yukon, the price of oil can influence economic activity particularly in how it can impact mining sector activity (fuel for project operations and equipment) as well as impact tourism activities (fuel for travelers' vehicles). The price of fuel also influences the cost of Yukon construction and also the cost of goods in Yukon as the majority of goods purchased locally are transported from outside the territory.

- Exchange Rates – The value of the Canadian dollar versus other currencies can impact spending decisions by tourists and also investment decisions by resource-based companies, such as those that export minerals. A strengthening or weakening dollar may affect this forecast.

- Interest Rates – A potential threat to economic growth in Yukon, and in Canada as a whole, is a significant increase in interest rates. The cost of borrowing in Canada has been very low for a prolonged period, with the Bank of Canada's daily overnight target for the bank rate not exceeding 1.0 per cent since January 19, 2009. This forecast assumes that interest rates will remain relatively low for the foreseeable future.

Circumstances that impact the assumptions of a forecast can change quickly, and forecasts can become dated. Yukon is a prime example of a small economy that can be rapidly influenced by outside events. Information in this forecast is current to January 9, 2015.

Highlights for 2013

- Statistics Canada estimates that Yukon's real Gross Domestic Product (GDP) contracted by 0.7 per cent in 2013 to $2.209 billion, the first year in a decade that positive growth was not realized.
  - Weakness in mineral prices and a general slowdown in the global mining industry contributed to reduced exploration, production and development activities in 2013.
  - Weaker construction activity, including declines in both residential and non-residential, also contributed to the real GDP decline.
- Yukon's average population is estimated to have grown by 1.6 per cent to 36,604. Increasing population in 2013 marked the 10th consecutive year of growth.
- The labour market performed well in 2013:
  - Total employment averaged 19,300, up 400 from 2012.
  - The labour force averaged 20,400, matching the record level reported for 2012.
  - The unemployment rate averaged 5.4 per cent, down from 6.9 per cent in 2012.
- Retail sales fell to $652 million, marking the first annual decline since 2009.
- Border crossings are estimated to have grown by 7.3 per cent, to over 350,000.
- At $78.9 million, the value of building permits in 2013 was down from $100.4 million in 2012.
  - Declines were in residential, as the value of non-residential permits increased by almost $10 million.
- Change in the Consumer Price Index (CPI) for Whitehorse measured 1.7 per cent in 2013.

Forecast for 2014

- Modest real GDP growth of about one per cent is forecast for 2014.
  - Growth in 2014 is expected to be spread across a number of industries.
- Results are mixed in the mining sector with exploration expenditures forecast to increase, but development expenditures and mineral production forecast to decline.
- Population growth is anticipated to continue, with modest gains of 0.4 per cent in 2014.
- Yukon experienced strong gains in both employment and labour force.
  - Stronger employment growth contributed to the annual unemployment rate falling to just over four per cent.
- Retail sales are expected to increase to almost $670 million, up from $652 million in 2013.
- Border crossings are expected to decline to 340,000, down from over 350,000 in 2013.
- Preliminary estimates have building permit value growing to about $131 million, with gains in both residential and non-residential permit value.
- CPI (Whitehorse) is expected to grow by 1.4 per cent, lower than growth in 2013.

Preliminary Forecast for 2015

- The preliminary forecast for real GDP growth in 2015 is for gains of 2.0 per cent.
  - Increases in mineral production and mineral development spending, construction activity related to the Whistle Bend subdivision and the F.H. Collins School and an uptick in tourism visitation are all noted as contributing factors to growth.
- Population growth of 0.6 per cent to bring annual average population to nearly 37,000.
- Employment is expected to decline slightly from 2014. With the labour force expected to post modest growth to 20,900, the unemployment rate in 2015 is expected to rise to 5.0 per cent.
- Retail sales are expected to grow to almost $700 million.
- Border crossings are expected to increase by two per cent, to about 347,000.
- Building permit value is expected to post modest gains in 2015, totaling $135 million.
- CPI increase for Whitehorse to be higher than 2014 at 2.3 per cent.

Global, U.S. and Canadian Outlook

Following major challenges in recent years, the global economy continues to slowly recover. The International Monetary Fund (IMF) notes that in advanced economies, the legacies of the pre-crisis boom and the subsequent crisis, including high private and public debt, cast a shadow on the recovery. Emerging markets are adjusting to rates of economic growth lower than those reached in the pre-crisis boom and the post-crisis recovery. Overall, the pace of recovery is becoming more country specific.[1]

Global economic growth was modest in the second quarter of 2014. Gains were largely due to a strong rebound in the U.S., as well as slight uptick in China growth. In contrast, growth in Japan severely declined as a result of the consumption tax hike, while the euro zone economy stagnated.[2]

The IMF's October 2014 *World Economic Outlook* document notes that the global growth forecast projection for 2014 has been revised to 3.3 per cent, down slightly from the 3.4 per cent projection of July 2014. At 3.3 per cent, growth in 2014 would match the estimated growth in 2013.[3]

The IMF's latest forecast for 2015, while stronger than recent annual growth rates, represents a downward revision, with the current growth rate of 3.8 per cent down from the July 2014 forecast of 4.0 per cent. Worsening geopolitical tensions is a short-term risk, while low potential growth in advanced economies and decline in potential growth in emerging markets remains a medium-term risk.

Current IMF forecasts have growth in emerging market and developing economies, such as China and India, continuing to be stronger than growth in advanced economies, but with the growth rate gap between advanced economies such as the United States and the euro area closing in the near-term.

Emerging market and developing economies saw growth of 4.7 per cent in 2013 and are currently forecast to grow by 4.4 per cent and 5.0 per cent for 2014 and 2015, respectively. China and India continue to lead the way for emerging market countries. Following estimated growth of 7.7 per cent in 2013, China's economy is expected to grow 7.4 per cent and 7.1 per cent over the next two years. Following growth of 5.0 per cent in 2013, India is forecast to experience growth of 5.6 per cent and 6.4 per cent in 2014 and 2015, respectively.

It is estimated that advanced economies grew by 1.4 per cent in 2013, with expectations of growth of 1.8 per cent in 2014 and 2.3 per cent in 2015. Growth in the United States is expected to be a near-term driver of growth in advanced economies. Growth in euro area countries, outside of solid growth expected in 2014 and 2015 for the United Kingdom is anticipated to remain lower than that of all advanced economies.

U.S. growth was weaker in the first half of 2014 with a decline in economic activity during the first quarter. The decline was attributed primarily to a number of temporary factors including a difficult winter as well as a decline in exports following strong growth in the last quarter of 2013. Growth rebounded in the second quarter of 2014 and labour market conditions continued to improve. Following this, the IMF revised its 2014 growth to 2.2 per cent, up from 1.7 per cent in July 2014. At 3.1 per cent, the IMF is forecasting relatively strong U.S. growth for 2015 (unchanged from the last forecast).

In comparison to most other advanced economies, Canada's economy has performed relatively well in recent years. The IMF is forecasting that growth of 2.0 per cent in 2013 will be followed by growth of

2.3 per cent and 2.4 per cent in the subsequent two years. The current IMF forecasts represent slight upward revisions from the July 2014 forecasts. Improving U.S. growth prospects are improving Canada's outlook as the U.S. is Canada's largest trading partner.

Recent Bank of Canada forecasts for Canada are consistent with IMF expectations. The October 2014 *Monetary Policy Report* noted real GDP growth of 2.0 per cent for 2013, with forecasts of 2.3 per cent and 2.4 per cent for 2014 and 2015, respectively. The October report noted that Canadian economic activity is being supported by the lower Canadian dollar, which is helping to boost exports, and low interest rates, which are helping to support high levels of household spending. Looking to the future, the October report notes that "as global headwinds recede, confidence in the sustainability of domestic and global demand should improve and business investment should pick up".[4]

Resource extraction remains a key contributor to the performance of Canada's economy with future prospects for growth tied to the performance of commodity prices. Mineral prices have generally performed poorly in 2014 with prices for gold, silver, copper and lead all down, with gold, silver and copper falling to values not seen in five years. Generally the outlook for the near-term is for weak mineral prices with many forecasters calling for the prices of gold, silver and copper to decline in 2015 which will pose challenges to Canada's mining sector (zinc and nickel prices are forecast to improve).

Despite increasing geopolitical tensions, global oil prices have fallen significantly in 2014, and at the time of writing, were at the lowest level in over five years contributing to large losses in key stock markets. Increased supply, particularly from increased U.S. shale oil production and from Libya, along with weaker demand have contributed to the lower oil prices in 2014. The outlook for oil prices are for the weakness in 2014 to carry over into 2015.

After an extended period of weakness, natural gas prices have posted strong year-over-year growth in 2014. The outlook is for natural gas prices to remain at, or near, 2014 levels in 2015 which should continue to benefit Canada's oil and gas sector.

Future growth prospects for Canada are also tied in part to interest rates. Borrowing rates in Canada have been very low for an extended period of time with the overnight rate fixed at 1.0 per cent since September 2009. This rate was maintained by the Bank of Canada during its interest rate announcement on December 3, 2014. The Bank noted that inflation has risen by more than expected, but that the increase over the past year has largely been due to the temporary effects of a lower Canadian dollar and some sector-specific factors, notably telecommunications and meat prices, with underlying inflation remaining below two per cent.[5]

Canadian interest rates are expected to remain low into 2015, but an improving U.S. economy increases the likelihood that U.S. interest rates will increase in the coming year, which could contribute to upward movement of Canadian interest rates. Expectations are that even if interest rates were to increase that the increases would be gradual.

Outlook for Global, U.S. and Canadian Economies

According to the IMF update to the World Economic Outlook (October 2014):

- Global Growth: 3.3 per cent (2014) and 3.8 per cent (2015);
- U.S. Growth: 2.2 per cent (2014) and 3.1 per cent (2015); and
- Canadian Growth: 2.3 per cent (2014) and 2.4 per cent (2015).

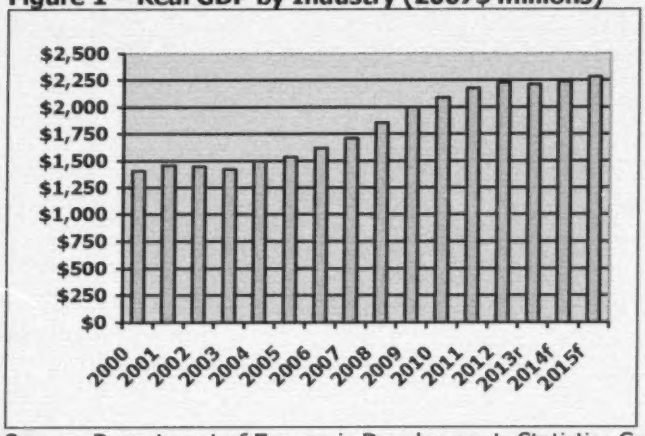
Recent Performance and Short-term Outlook

PART A: Economic Indicators

Gross Domestic Product (GDP)

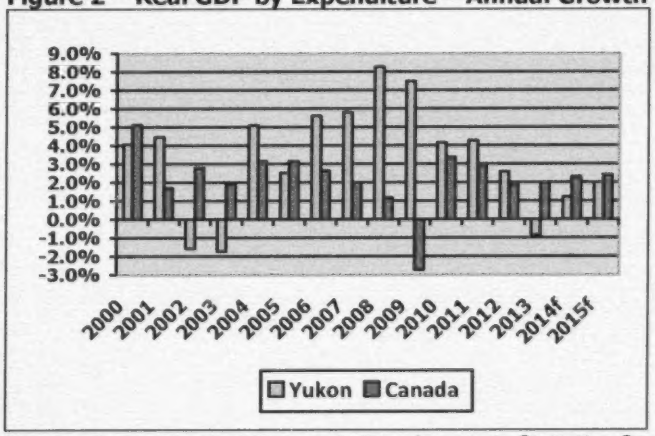
Revised data for GDP by Industry released by Statistics Canada in November 2014 estimates that Yukon's real GDP fell by 0.7 per cent in 2013, marking the first year in a decade that growth was not realized in Yukon. Yukon's growth rate was the lowest among all the provinces and territories, and joined New Brunswick as the only other jurisdiction not to record real GDP gains in 2013.

Figure 1 – Real GDP by Industry (2007$ millions)



Source: Department of Economic Development; Statistics Canada

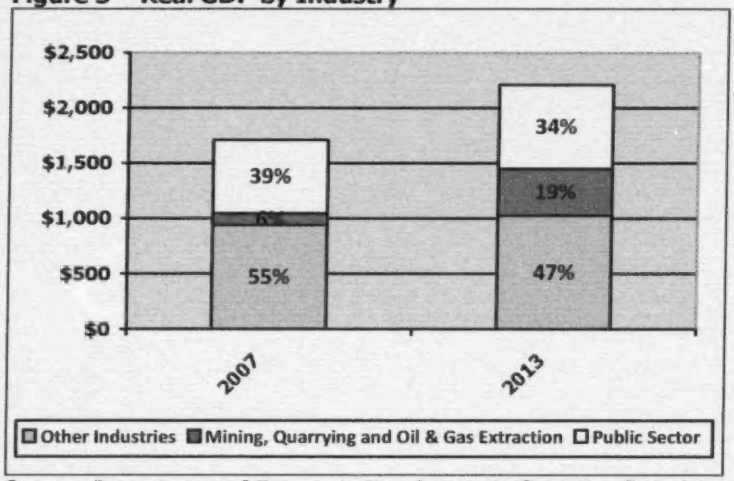
Figure 2 – Real GDP by Expenditure – Annual Growth Rate



Source: Department of Economic Development; Statistics Canada; International Monetary Fund

While remaining a key contributor to Yukon's economy, accounting for over 19 per cent of total real GDP in 2013 (see Figure 3), GDP from mining, quarrying and oil & gas extraction fell 1.1 per cent to $423.2 million in 2013. Lower exploration and development spending along with lower mineral production contributed to the decline.

Figure 3 – Real GDP by Industry



Source: Department of Economic Development; Statistics Canada

The forecast for 2014 is for a return to growth, with gains of just over 1.0 per cent anticipated. Growth in 2014 is expected to be spread across a number of industries. Some of the largest gains in GDP are expected to be associated with the Construction industry classification. Construction activities related to the F.H. Collins School replacement and the Whistle Bend subdivision are key contributors to construction activity in 2014. Strong growth in the value of building permits in 2014 supports the higher level of construction activity.

Unlike recent years, the mining sector will not be an economic growth driver in 2014. Lower mineral production for all minerals except copper is negatively impacting Yukon's real GDP growth prospects in 2014. While remaining a significant component of Yukon's overall real GDP, the Mining and Oil & Gas Extraction industry classification is anticipated to decline in 2014.

Looking ahead to 2015, the forecast is one of slightly stronger economic growth of 2.0 per cent. Increased mineral production from the anticipated resumption of production in the Keno Hill District later in 2015, further development of the Whistle Bend subdivision and continued construction of the F.H. Collins School are all included as contributing factors to growth in 2015. A rebound in tourism visitation should also have positive ramifications for Yukon's economy in 2015.

The preliminary forecast for 2016 is for much stronger growth, possibly in the area of nine per cent, but this is very much contingent on the performance of Yukon's mining sector. The current forecast includes the assumption of strong gains in mineral production in 2016 based on the addition of production from the Minto North pit at the Minto mine, a full year of production from the Bellekeno mine and a return to full processing capacity at the Wolverine mine. While the expectation of higher mining development expenditures are noted as contributing to growth in 2016, it is the increase in

mineral production that accounts for the vast majority of the forecasted growth in real GDP. If mineral prices remain depressed for an extended period, the outlook for Yukon's mining sector likely would be negatively impacted.

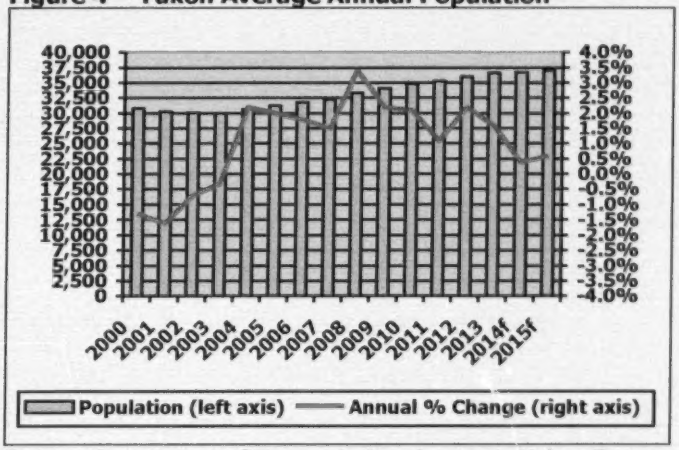
Outlook for GDP

- Revised estimates from Statistics Canada report a decline in Yukon's real GDP of 0.7 per cent in 2013, the first contraction in a decade.
- A return to growth is anticipated in 2014 with modest gains of just over one per cent.
- The current outlook is for further gains of 2.0 per cent in 2015, followed by much stronger growth in 2016:
    - Growth in 2015 and 2016 is contingent on expectations of increased mineral production and higher development activity related to the mining sector.

Population

Gains in 2013 marked the 10th consecutive year that Yukon's population has grown. Average annual population in 2013 was 36,604, the highest average population ever recorded.[6]

Figure 4 – Yukon Average Annual Population



Source: Department of Economic Development; Yukon Bureau of Statistics

The June 2014 population estimate for Yukon was 36,667, a slight increase from June 2013. The City of Whitehorse – at 27,962 – accounted for 76 per cent of Yukon's total population. As a goods and services hub for other communities and also for the local mining industry, Whitehorse is expected to continue to account for the majority of total population gains for the territory in 2016.

Modest population growth is anticipated with gains of 0.4 per cent in 2014 and 0.6 per cent in 2015. Slightly stronger growth of 1.0 per cent is expected in 2016, resulting in an average Yukon population of over 37,300.

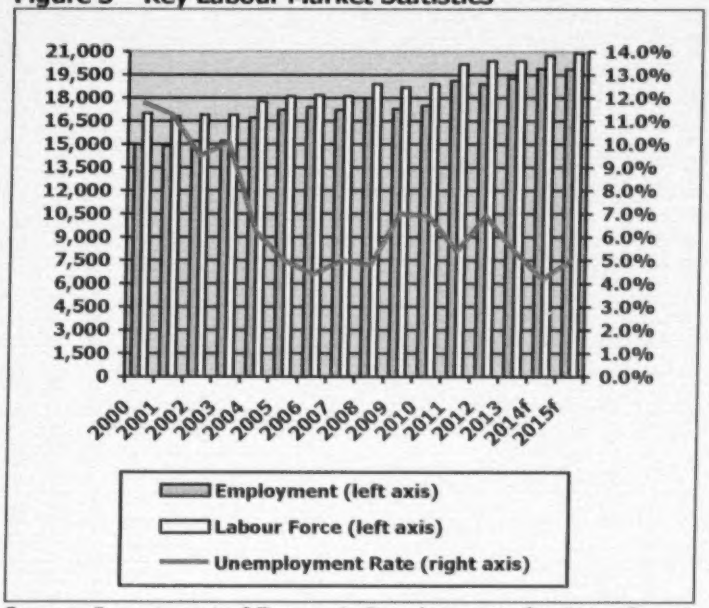
Outlook for Population

- Modest population growth is expected in the near-term with growth of 0.4 per cent in 2014, 0.6 per cent in 2015 and 1.0 per cent in 2016.

Labour Market

Yukon's growing economy has contributed to strong performance in key labour market statistics with the size of the labour force and the number of people employed reaching record highs in recent years, along with an unemployment rate that has been amongst the lowest in Canada.

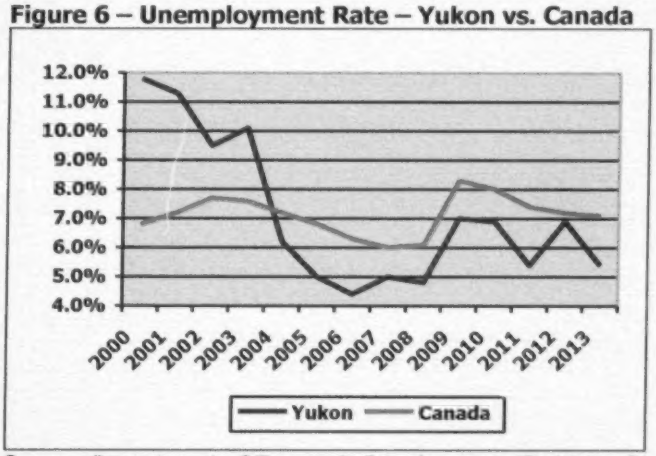
Figure 5 – Key Labour Market Statistics



Source: Department of Economic Development; Statistics Canada

Since 2003, Yukon's annual unemployment rate has generally been trending downward. For the period 2004 to 2013, Yukon's unemployment rate averaged below 6 per cent, lower than the national average of 7 per cent reported for the same period.

Figure 6 – Unemployment Rate – Yukon vs. Canada



Source: Department of Economic Development; Statistics Canada

While subject to revisions, monthly data from Statistics Canada's Labour Force Survey for 2014 suggests that Yukon's labour market remains healthy even in light of what appears to be a slowing local economy. Total employment averaged 19,900 in 2014, up 600 from 19,300 in 2013. Average annual employment in 2014 represented a record high for employment.

Yukon's labour force averaged almost 20,800 in 2014, up from 20,400 in 2013. Like employment, the average annual figure for the labour force in 2014 represented an annual record high.

With employment growth outpacing the growth in labour force, Yukon's average unemployment rate fell to 4.2 per cent in 2014, down from 5.4 per cent in 2013. At 4.2 per cent, the unemployment rate is among the lowest in the country and represents the lowest annual unemployment rate ever recorded for Yukon.

Expectations for 2015 are tempered somewhat by the strong performance of 2014, and uncertainty related to Yukon's mining sector and the economy as a whole. Employment is expected to decline slightly from 2014. With the labour force expected to post modest growth to 20,900, the unemployment rate in 2015 is expected to increase to 5.0 per cent.

Modest growth is expected in both employment and the labour force in 2016, with employment expected to average almost 20,000 in 2016 with an accompanying average labour force of about 21,100. The unemployment rate is anticipated to remain relatively low, but increase to 5.5 per cent.

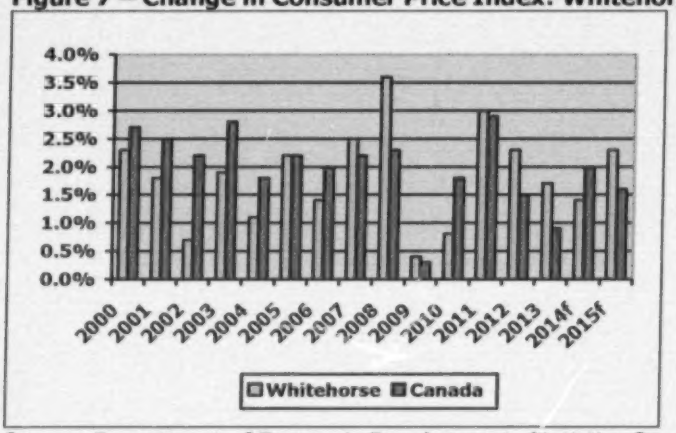
Outlook for the Labour Market

- Strong performance of labour market indicators in 2014 with record levels for both labour force and employment.
    - The unemployment rate declined from 5.4 per cent in 2013 to just over four per cent in 2014.
- Employment is expected to remain near 19,900 in the near-term. Modest near-term growth in the labour force is expected to contribute to slight increases in the unemployment rate in 2015 and 2016.
    - While increasing, Yukon's unemployment rate is expected to remain relatively low in the near-term.

Consumer Price Index

Annual change in the Whitehorse Consumer Price Index (CPI)[7], often used as an indicator of price inflation, has generally been low in recent years. For 2000 to 2013, change in Whitehorse CPI averaged about 1.8 per cent, below the 2.0 per cent in Canada for the same period.

Figure 7 – Change in Consumer Price Index: Whitehorse vs. Canada



Source: Department of Economic Development; Statistics Canada; Bank of Canada[8]

In the first 11 months of 2014 the Whitehorse CPI is up 1.4 per cent versus the same period in 2013. Notable year-to-date gains include Food (3.2 per cent), Shelter (3.0 per cent) and Alcoholic Beverages and Tobacco Products (2.7 per cent). The relatively low year-to-date increase in the Whitehorse CPI reflects in part the performance of gasoline prices in 2014, which are on par with the average value for the first 11 months of 2013. Current expectations are for CPI to post gains of 1.4 per cent in 2014.

Beyond 2014, the Whitehorse CPI may continue to be buoyed by high food prices. Potential growth in food prices could be countered by lower oil prices in the near-term, which could contribute to lower fuel prices likely resulting in lower costs for Energy[9] and Transportation. The current forecast has the Whitehorse CPI growing by 2.3 per cent in 2015 and 1.9 per cent in 2016.

Outlook for CPI

- Following estimated Whitehorse CPI growth of 1.4 per cent for 2014, the expectation is that CPI growth will be stronger in the near-term at 2.3 per cent in 2015 and 1.9 per cent in 2016.

Part B: Economic Sectors

Mining

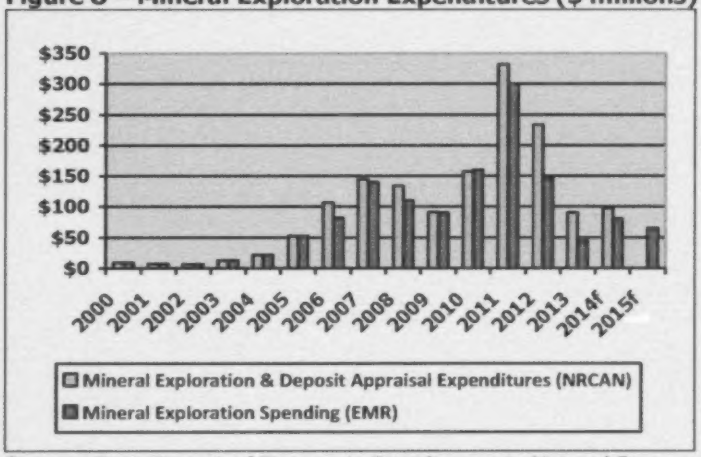
After a period of robust activity in Yukon's mining sector, lower levels of activity related to exploration, production and development have contributed to weaker performance for Yukon's mining sector. Mining related spending has been impacted by a general slowdown in the global mining industry and lower mineral prices. While Yukon's potential for further development of mineral resources remains high, further development of Yukon's mining sector will continue to be impacted by the performance of the global mining industry.

Mineral Exploration

After falling in both of the last two years, mineral exploration and deposit appraisal expenditures[10] are forecast to increase in 2014, according to Natural Resources Canada's (NRCAN) latest *Survey of Mineral Exploration, Deposit Appraisal and Mine Complex Development Expenditures.*

Following record estimated expenditures of over $330 million in 2011 and over $230 million in 2012 it is estimated that mineral exploration spending fell to about $90 million in 2013. While remaining well below recent highs, the current NRCAN forecast has spending increasing to about $98 million in 2014 with exploration activities related to the Selwyn project accounting for much of the total.

Figure 8 – Mineral Exploration Expenditures ($ millions)



Source: Department of Economic Development; Natural Resources Canada

Estimates from the Department of Energy, Mines & Resources (EMR) have exploration expenditures of about $80 million in 2014, up from EMR's estimate of $45 million in 2013. EMR exploration spending estimates are generally lower than NRCAN estimates as the NRCAN spending numbers include such expenditures as related road development and environmental baseline work while the EMR number is more representative of spending on pure exploration work such as drilling and geochemical. Differences between EMR and NRCAN exploration spending numbers can also occur because the NRCAN numbers are based on a survey completed early in the year while EMR numbers are based on actual announced company budgets.

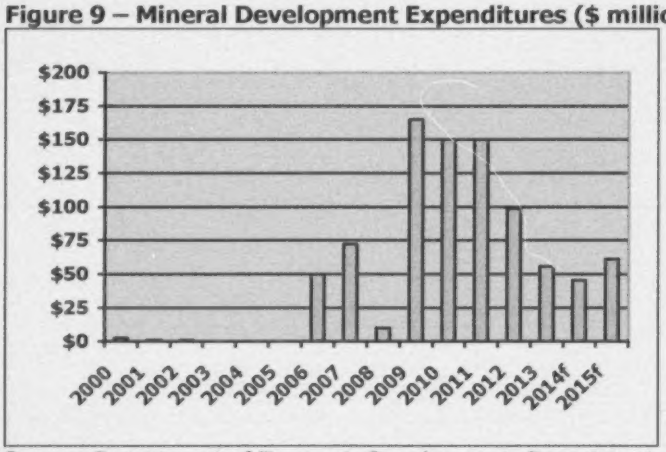
Weaker mineral prices and uncertainty related to global demand for mineral resources could negatively impact exploration work in 2015 and 2016. Actions by mining companies to decrease expenditures, and the difficulties of junior mining companies raising funds to finance exploration activities are likely to persist into 2015. Near-term prospects for exploration spending depend on the desirability of Yukon mineral targets and Yukon juniors' abilities to overcome the financial market's risk aversion.

EMR is currently forecasting exploration spending of $65 million in 2015 with expectations muted by the soft 2015 outlook for mineral prices, especially for gold. With prices for many minerals expected to remain weak into 2016, exploration is likely to remain near the 2015 level.

Mining Development

Following a number of years with low levels of development spending, the start of development of the Minto mine in 2006 marked the beginning of a period of significant development expenditures in Yukon. With initial development costs of the Minto, Bellekeno and Wolverine mines estimated at over $700 million, contributions to the local mining sector, and to Yukon's economy as a whole, have been substantial.

Figure 9 – Mineral Development Expenditures ($ millions)



Source: Department of Economic Development; Department of Energy, Mines & Resources

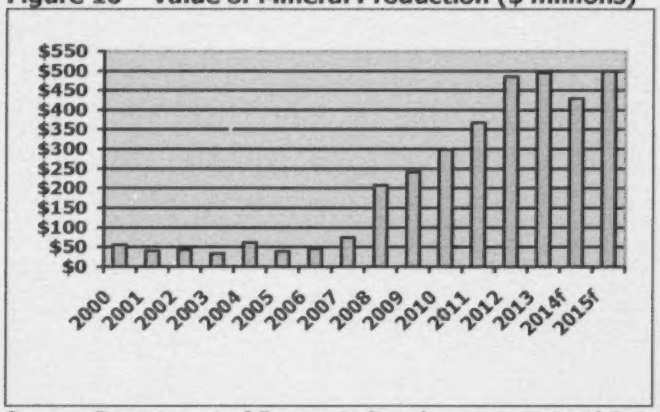
Development activities in 2014 were negatively impacted by continued weakness in global mineral prices and ongoing concerns about future demand for minerals. Development spending in 2014 is forecasted at about $45 million, down from $56 million in 2013. Accounting for over $30 million of the 2014 total are expenditures related to the Selwyn project including work on the access road and in-fill drilling. Anticipated spending of over $12 million by Capstone Mining Corporation, related to the continued expansion of underground mining at the Minto mine, accounts for the majority of the remaining 2014 development expenditure figure.

The current EMR forecast for 2015 is for development expenditures to increase to just over $60 million, driven by spending of about $45 million by Alexco Resources Corporation to establish underground infrastructure at the Flame & Moth deposit, upgrade the mill and other facilities, and re-commission the Bellekeno mine. Spending of over $16 million by Capstone Mining Corporation, related to pre-stripping at Minto North, accounts for the remainder of the 2015 development spending forecast.

Mineral Production

The development of three mines since 2007 has contributed to notable growth in Yukon's overall mineral production in recent years, and this production has been a significant driver of Yukon's growth prior to 2013.

Figure 10 – Value of Mineral Production ($ millions)



Source: Department of Economic Development; Natural Resources Canada

Yukon mineral production in 2013 and 2014 was negatively impacted by weaker mineral prices, with lower than anticipated production from both the Wolverine and Bellekeno mines.

Falling zinc and silver prices and a desire to reduce costs were cited as factors for Yukon Zinc Corporation's June 27, 2013 announcement that it was reducing its daily production by 40 per cent and its project workforce 30 per cent at the Wolverine mine.[11] Production was subsequently increased to 75 per cent of processing capacity in September 2013 with personnel required to sustain the production increase recalled.[12] Production in 2014 continues at about 75 per cent of processing capacity and it is expected that overall production will be generally on par with 2013.

Lower metal prices and cost concerns also resulted in less production from the Bellekeno mine in 2013. Alexco Resources Corporation suspended operations, effective September 1, 2013[13]. The shutdown also resulted in layoffs of over 100 employees, both direct and contract workers. The Bellekeno mine remained shut at the time of writing.

In 2013, even with lower than expected production from all three of Yukon's operating mines, production of all minerals – with the exception of lead – increased on an annual basis. In 2014, it is expected that production of all minerals – with the exception of copper – will be down.

Higher production from the Wolverine and Minto mines is expected to make positive contributions to Yukon's mineral sector in 2015. Current expectations are also for a return to production of the Bellekeno mine later in 2015. While the performance of mineral prices, particularly silver, will be a major factor in the decision to resume operations, Alexco Resources' deal with Silver Wheaton Corporation on an improved purchase agreement, that allows Alexco Resources to insulate operations during times when silver prices are low,[14] has improved the chances of the project coming back on stream in the near-term.

Beyond production from Yukon's larger mining operations, placer gold will continue to be an important contributor to Yukon's mining sector. Estimated production of 59,462 ounces represents an increase of over 12.9 per cent from production of 52,655 ounces in 2012, and the highest level of placer production since 2007. Placer gold production in 2013 increased even as gold prices fell and it is this resilience which supports a forecast of a similar level of production in 2014.

The value of mineral production in 2014 is expected to total about $430 million, down about 13 per cent from $495 million in 2013. The current forecast for 2015 calls for increased production from the Wolverine and Minto mines as well as the resumption of production from the Bellekeno mine later in the year, which should see the value of mineral production increase to near the level reported for 2013.

While uncertainty increases the longer the forecast horizon, current expectations are for mineral production to increase substantially in 2016 with production anticipated to increase at all of Yukon's current mines. The addition of production from the Minto North pit at the Minto mine, a full year of production from the Bellekeno mine and a return to full processing capacity at the Wolverine mine are key contributors to the stronger outlook for mineral production in 2016. If current production expectations are realized the value of mineral production in 2016 could exceed $700 million.

Outlook for Mining

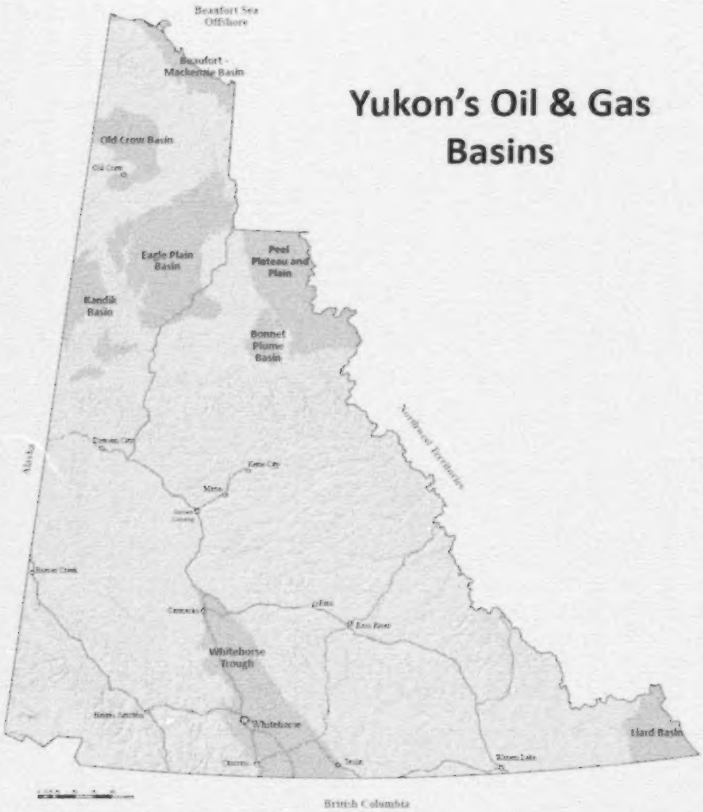
- Following an anticipated increase in 2014, exploration spending is forecast to decline in 2015.
- Development expenditures are expected to decline slightly in 2014, before increasing slightly in 2015.
- The value of mineral production is forecast to decline in 2014, rebounding to about $500 million in 2015.

Oil & Gas

While there has been no natural gas production in Yukon since the shut in of the Kotaneelee field in southeast Yukon in September 2012 there is interest in the development of Yukon's oil and gas potential.

EFL Overseas Inc. (EFLO) has a 54 per cent working interest in the Kotaneelee field and has indicated near-term plans to develop the existing conventional gas resource which they estimate may have five to 10 production years remaining.[15] EFLO currently has a proposal into the Yukon Environmental and Socio-economic Assessment Board (YESAB) to work over the existing wells.

Interest continues in possible oil and gas development in the Eagle Plain Basin in North Yukon. Supported by investment from China National Offshore Oil Corporation (CNOOC), Northern Cross (Yukon) Limited estimates spending of more than $100 million since their current exploration program began in late 2011.[16] Northern Cross proposes to drill up to 20 exploration and appraisal wells in the area that it completed a 3D seismic program in early 2014.[17] These wells would be in addition to the four wells drilled in 2012 and 2013.



Also of interest to the discussion of oil and gas is the potential of using liquefied natural gas (LNG) for the generation of power in Whitehorse and Watson Lake.

Currently, Yukon Energy Corporation (YEC) is replacing two back-up diesel generators near the Whitehorse Rapids Dam with LNG burning power plants as well as constructing a fuel storage facility in the area. Plans are to source natural gas from southern Canada. At the time of writing construction was about 75 per cent complete. YEC hopes to have the LNG generators operational by March 2015.[18]

In January 2014, the Government of Yukon issued Yukon Electrical Company Limited, now ATCO Electric Yukon, a licence to install LNG storage and vaporization facilities to modify the existing generator system at the Watson Lake power plant to use a combination of natural gas and diesel fuel to generate electricity.[19] The first phase of the initiative will see the conversion of one of the six diesel-fired electrical generators to a bi-fuel system able to accept natural gas which will be trucked in as LNG from southern B.C.[20] A potential second phase of the project would see the remaining generators modified for bi-fuel use. Work on the first phase is currently on hold pending appeal to the Yukon Utilities Board. It is hoped the first generator will be burning mixed fuel sometime in 2015.

Future development of Yukon natural gas resources depends on the performance of natural gas prices which, until recently, had been depressed for quite some time. Natural gas prices increased in 2014

with the Henry Hub dollar price averaging US$4.37 per mmbtu, up over 17 per cent from the 2013.[21] Many forecasters are anticipating that natural gas prices in 2015 will remain near 2014 levels.

Despite increasing geopolitical tensions, the price of oil has trended downward in 2014, and at the time of writing, was below US$50 per barrel. Increased supply, particularly from increased U.S. shale oil production and from Libya, along with weaker demand have contributed to the lower year-over-year oil price in 2014. The outlook for oil prices are for the weakness in 2014 to carry over into 2015.

Outlook for Oil & Gas

- Continued activities by EFL Overseas Inc. related to restarting production in the Kotaneelee field.
- Continued exploration work in the Eagle Plain Basin with the potential for 20 new wells.

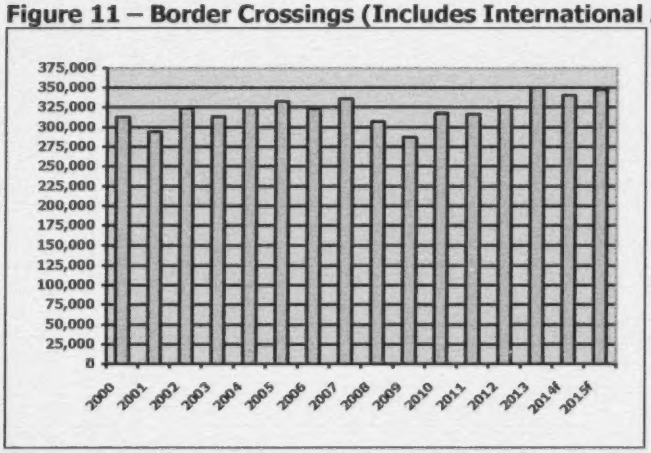
Tourism

Tourism related activities contribute to the diversity of Yukon's economy and support employment across a wide variety of local goods and services providers. Retailers, grocery stores, accommodations providers, restaurants, arts and culture as well as providers of sports and recreational activities all benefit annually from visitors to the territory. The 2013 *Yukon Business Survey* notes that Yukon businesses attributed almost $250 million of their gross revenue in 2012 to tourism and that based on these revenues the total GDP attributable to tourism was about $114 million, accounting for over four per cent of Yukon's total GDP in 2012.[22]

Results released from the 2012/2013 Yukon Visitor Tracking Program completed for the Department of Tourism & Culture support the importance of tourism activities in Yukon. Comparing 2012 to 2004 shows that visitation to the territory increased by 26 per cent, equivalent to average growth of about three per cent annually. Visitor spending over the same period has grown by 31 per cent, which means more revenue for Yukoners, particularly small business owners, artists and tourism operators.

In terms of international border crossings, since posting a 20-year low in 2009, crossings have been well over 300,000 in every year averaging over 327,000 over the period 2010 to 2013. International border crossings are often used as a measure of the performance of Yukon's tourism sector.

Figure 11 – Border Crossings (Includes International Air Travel)



Source: Department of Economic Development; Department of Tourism & Culture

After growing in 2013, visitation will likely be down in 2014. January to September border crossings have totalled 326,683, down 3.0 per cent from 336,836 in the same period of 2013. While visitation from the U.S. declined 4.4 per cent in the first nine months of 2014, U.S. Visitation continues to comprise the majority of border crossings accounting for 66 per cent of year-to-date visitation. Declining visitation from other parts of Canada was also recorded in the first nine months of 2014, down by 5.2 per cent. Countering some of the declines in year-to-date visitation was an increase in international visitation (excluding U.S.) which grew 3,629 (+9.1 per cent) to 43,576.

By mode of transportation, visitation was reported as being down in both private vehicle and motor-coach. The largest component of visitation, private vehicle, saw visitation of 175,715 from January to September 2014, representing a 6.2 per cent decline from 187,371 in the same period of 2013. Visitation by motor-coach also reported a substantial year-to-date decline with visitation of 136,706 in the first nine months of 2014 down 5.7 per cent from the same period of 2013. A significant increase was reported in visitation by air, with 14,262 visitors to September 2014 representing a 220 per cent increase over the 4,455 visitors noted in the same period of 2013. The substantial increase in the air visitation numbers is the result of the move by Holland America to fly passengers from Fairbanks, Alaska to Dawson City rather than the previous practice of using motorcoach travel.

The previous forecast called for modest growth in border crossings in 2014, but based on the year-to-date performance, growth is unlikely. Border crossings in 2014 are now anticipated to be about 340,000, a decline of about three per cent from 2013. While remaining below the 2013 level, a return to growth is anticipated in 2015 with border crossings growing about two per cent to 347,000. Similar growth to 2015 is expected in 2016, but there is much uncertainty associated with this forecast.

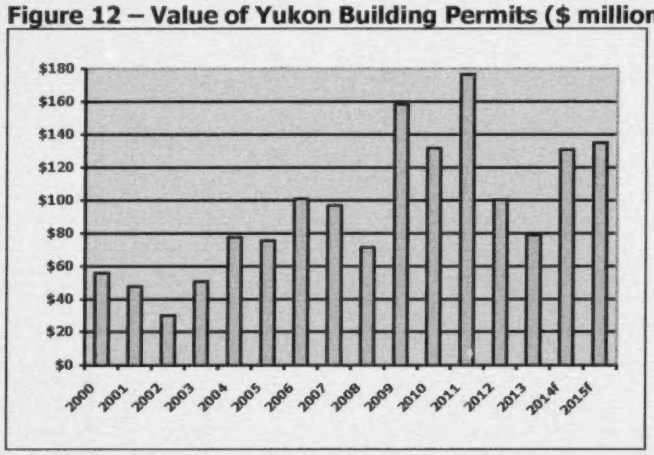
Outlook for Tourism

- Current expectations are for border crossings to decline about three per cent in 2014 to 340,000.
- A return to growth in visitation is expected in 2015 with forecasted growth of about two per cent.
- Further growth in 2016 would take the number of visitors near beyond the level reported for 2013.

Construction

Following a period of strong construction activity in Yukon, supported by a growing territorial economy and federal infrastructure funding, the value of Yukon building permits has fallen in the last two years.

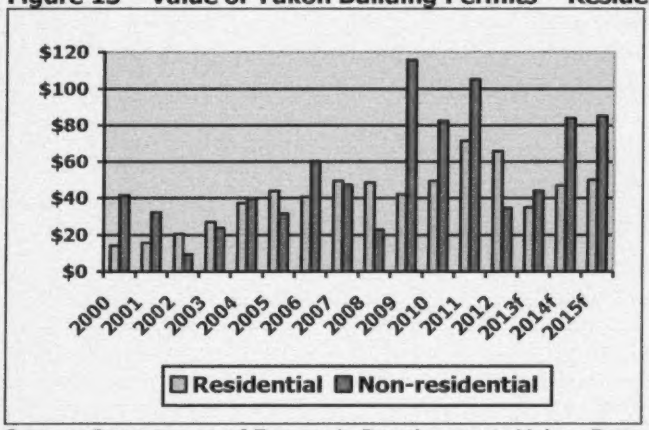
Figure 12 – Value of Yukon Building Permits ($ millions)



Source: Department of Economic Development; Yukon Bureau of Statistics

Preliminary numbers for 2014 have the total value of building permits increasing to about $131 million, up almost 66 per cent from 2013. Residential permits totalled almost $47 million, up 35 per cent, while non-residential permits increased over 90 per cent to $83.8 million. All areas of non-residential building permits increased in 2014, with the main driver of growth being an increase in the value of institutional building permits, which more than doubled to over $46 million. Much of the increase in institutional permits was related to activities associated with the F.H. Collins School replacement.

Figure 13 – Value of Yukon Building Permits – Residential vs. Non-residential ($ millions)



Source: Department of Economic Development; Yukon Bureau of Statistics

A variety of projects contributed to construction activities in Yukon in 2014. Current estimates compiled by the Department of Highways & Public Works have total project spending in Yukon estimated at over $200 million in 2014-15. While capital expenditures make up a large portion of this figure there is some non-capital spending included in this total. This estimate also includes both public and private spending estimates but does not include spending related to mineral exploration or development. Among the largest contributors to spending in 2014-15 include:

- Over $45 million related to housing, including social housing, and residential land development;
- Over $30 million related to Road and Bridge Work around the territory;
- Over $30 million related to Education with the majority of this total associated with construction related to the F.H. Collins School in Whitehorse;
- Over $25 million related to Community Operations and Infrastructure including construction of a recreation centre in Dawson City and water and sewer upgrades in various communities;
- Nearly $15 million associated with Health and Social Services including work on designing a new continuing care facility in Whitehorse and work at the Whitehorse hospital related to the new Magnetic Resonance Imaging (MRI) scanner and expansion of the emergency department; and
- Nearly $15 million associated with Airports and Airstrips with the majority of the anticipated expenditures related to work at the Whitehorse airport including Apron 1 panel replacement and parallel runway surface overlay.

Looking forward, a number of projects and activities have been identified which could impact Yukon's economy in the near-term. In 2015-16 there is over $250 million in total project spending currently identified for Yukon. Prominent projects in this spending figure include further work related to the

Whitehorse hospital's new MRI scanner; replacement of Dawson City's reservoir pumphouse; continued replacement of the F.H. Collins School; and replacement of the current Salvation Army building in Whitehorse. Near-term residential activity will also be supported by significant spending related to continued development of the Whistle Bend subdivision in Whitehorse. Spending of over $95 million on stages 3, 4 and 5 is anticipated to occur from 2015 to 2018.

Also, while not included in the current forecast, the construction of a $126 million, 300-bed continuing care facility in Whistle Bend announced in December 2014, would certainly have substantial impacts on the local economy and the economic forecast.

For 2015, modest gains in the value of residential and non-residential building permits are anticipated. As has been the case in recent years, the performance of mineral prices and the subsequent impact on the local mining sector will continue to be key determinants of the nature, and level, of construction activity in the territory. The current uncertainty in mineral pricing and local mining activities increases the uncertainty of the outlook for construction in Yukon.

Outlook for Construction

- Following declines in the last two years, the value of building permits increased to about $131 million in 2014, with growth in both residential and non-residential permit value.
    - Strong growth in institutional building permits, related in part to the replacement of the F.H. Collins School, was the primary driver of non-residential permit value.
- Modest growth in the value of building permits is expected in 2015.

Retail Trade

Yukon's recent history for retail sales has generally been positive with activity related to the mining sector, increasing population, robust employment numbers and growing household incomes contributing to higher retail sales.

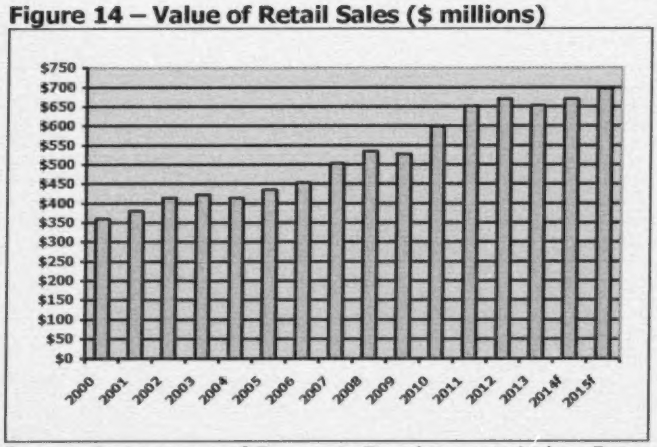
While retail sales of almost $670 million in 2012 marked a record value for the territory, sales fell to $652 million in 2013. Year-to-date data for retail sales in 2014 indicate a rebound in retail sales, with growth to $557.8 million (+2.2 per cent) in the first 10 months of 2014. The strongest growth reported was in Food and Beverage Stores, the largest contributor to retail sales. Sales from this category totalled $169.5 million in the first 10 months, up 4.7 per cent from $162.0 million in the same period of 2013. Higher year-over-year prices for some food products accounted for some of this increase.

Modest growth of 0.4 per cent, to $91.5 million, was noted in the second largest contributor to Yukon retail sales, Gasoline Stations. Sales from Health and Personal Care Stores also increased in the first 10 months of 2014 with sales of $26.4 million representing growth of 3.2 per cent.

A year-to-date decline was reported in sales from Furniture and Home Furnishings Stores, down 9.5 per cent to $11.7 million in the first 10 months of the year.

Based on the year-to-date data current expectations are for retail sales to total almost $670 million in 2014, representing annual growth of 2.5 per cent.

Figure 14 – Value of Retail Sales ($ millions)



Source: Department of Economic Development; Yukon Bureau of Statistics

Expectations are for further growth in retail sales in the near-term. Retail sales in 2015 are anticipated to grow to near $700 million, with further growth in 2016 taking Yukon retail sales to over $720 million. Questions about the future performance of the mining sector and the impact on Yukon's economy, as well as the potential impacts of declining oil prices, increase the uncertainty with the forecast for retail sales.

Outlook for Retail Trade

- The current forecast has the value of retail sales in 2014 increasing to almost $670 million.
- Further gains are expected in 2015 and 2016 to near $700 million and over $720 million, respectively.
- Risks related to possible continued weakness in metal prices and the impact on Yukon's mining sector, along with the potential for oil prices to continue to fall, increase the uncertainty for the performance of retail sales in the near-term.

Key Economic Indicators

Indicator	*2013*	*2014r*	*2015f*
Population, Prices, Rates			
Population	36,604	36,750	37,000
CPI Growth Rate^	1.7%	1.4%	2.3%
Overnight Rate	1.00%	1.00%	1.05%
Canada/U.S. Exchange Rate	$0.9710	$0.9060	$0.8530
Employment†			
Labour Force	20,400	20,775	20,900
Employment	19,300	19,900	19,850
Unemployed	1,100	875	1,050
Unemployment Rate	5.4%	4.2%	5.0%
Economic Output			
Real GDP By Industry (billions of chained 2007 $)	$2.209 (r)	$2.235	$2.280
Real GDP Growth Rate	-0.7%	1.2%	2.0%
Commodity Prices~			
Gold ($US/oz)	$1,411	$1,266	$1,188
Silver ($US/oz)	$23.83	$19.10	$17.50
Zinc ($US/lb)	$0.87	$0.98	$1.00
Copper ($US/lb)	$3.32	$3.12	$2.94
Oil - WTI ($US/bbl)	$97.94	$93.30	$63.00
Natural Gas – Henry Hub ($US/MMBTU)	$3.73	$4.41	$4.20
Mining			
Value of Mineral Production	$495 million (p)	$430 million	$500 million
Exploration Expenditures	$45 million (p)	$80 million	$65 million
Development Expenditures	$56 million (e)	$45 million	$60 million
Construction			
Permitted Building Construction	$78.9 million	$131 million	$135 million
Trade			
Value of Retail Sales	$652 million	$670 million	$700 million
Tourism			
Non-resident Border Crossings+	350,095	340,000	347,000

f = forecast, e = estimate, p = preliminary, r = revised, -- = not available
^ CPI increase for Whitehorse only
† annual averages – totals may not total due to rounding
~ annual averages
+ as reported by the Department of Tourism & Culture

Data Sources for Key Economic Indicators Table

Indicator	*Source*
Population	Yukon Bureau of Statistics, Yukon Population Estimates, Yukon Department of Economic Development
Inflation (Consumer Price Index)	Statistics Canada, Consumer Price Index, Yukon Department of Economic Development
Overnight Rate	Bank of Canada (average daily rate), BMO Capital Markets
Canada/U.S. Exchange Rate	BMO Capital Markets
Labour Force Indicators	Statistics Canada, Yukon Labour Force Survey, Yukon Department of Economic Development
Economic Output (Real GDP)	Statistics Canada, Provincial Economic Accounts, Yukon Department of Economic Development
Commodity Prices	BMO Capital Markets
Value of Mineral Production	Natural Resources Canada Minerals and Mining Statistics Division, Yukon Department of Economic Development
Mineral Exploration Expenditures	Yukon Department of Energy, Mines & Resources, Yukon Department of Economic Development
Mine Development Expenditures	Yukon Department of Energy, Mines & Resources, Yukon Department of Economic Development
Tourism Visitation	Yukon Department of Tourism & Culture, Yukon Department of Economic Development
Permitted Building Construction	Yukon Bureau of Statistics, Yukon Department of Economic Development
Retail Trade	Statistics Canada, Yukon Department of Economic Development

Appendix A:
Yukon Medium-term Forecast

Introduction

The Department of Economic Development has historically produced a short-term economic forecast for Yukon, released biannually. The forecast has provided a snapshot of past and current economic conditions, as well as an economic outlook for the year ahead. The primary limitation of this approach is that it has not provided a longer-term view on the economy that could lend itself to strategic economic planning.

Appendix A builds on the discussion of recent performance and near-term expectations and examines what might unfold for the economy in the medium-term. It is not meant to be a prediction but a discussion on the potential future direction of the economy. Like any forecast, the results depend on the primary assumptions used. In the case of Yukon, the primary driver of the current forecast over the medium-term is the mining sector. Specific assumptions related to the addition of new projects (timing, scale) as well as the assumptions related to the performance of currently producing mines are all key to the forecast results.

This is the second time that a medium-term forecast of this type has been produced with the first such appendix included in the February 2014 release of the *Yukon Economic Outlook*.

Economic Indicators

Gross Domestic Product

An estimated contraction of 0.7 per cent in 2013 represented the first annual decline for Yukon in a decade. A return to growth is expected in 2014 with modest growth of 1.2 per cent, followed by growth of 2.0 per cent in 2015 and stronger growth of 9.1 per cent in 2016.

For 2015-2019, Yukon's GDP is expected to average over $2.6 billion, which would be almost 20 per cent higher than the estimated value of GDP in 2013. Current modelling is calling for average annual growth over the period 2015-2019 at near five per cent.

Gains in GDP during the 2015-2019 period are related primarily to anticipated activity in the mining sector, in particular, expenditures related to mining development and increased mineral production.

Production over the medium-term is expected to continue at the Minto and Wolverine mines and to resume at the Bellekeno mine. Placer gold production is expected to remain stable over the period. New production is also assumed from the Eagle Gold mine, with gold production beginning in 2018, and the Casino mine, with some production of copper, gold and silver beginning in late 2017, but primary production not expected to commence until 2020.

Population

Yukon's population is estimated to have grown by 1.6 per cent in 2013. Growth is expected to continue in the near-term, with modest growth of 0.4 per cent and 0.6 per cent forecasted in 2014 and 2015, followed by slightly stronger growth of one per cent in 2016.

The current forecast has Yukon's annual average population growing to well over 38,000 by 2019, representing growth of over five per cent from the estimate of 36,604 noted for 2013.

Yukon's population in 2019 is forecast to exceed the 2013 estimate of population by almost 2,000, with the total increase to be split almost evenly between males and females. The most dramatic change from 2013 to 2019 is the increase in the population in the 55-64 and 65+ age cohorts (i.e., the population is ageing). Current modeling calls for an additional 700 people and 2,100 people in the 55-64 and 65+ age cohorts, respectively.

Labour Market

Yukon's labour market has performed well in recent years with gains noted in both the labour force and the number of employed and an unemployment rate that has generally remained low.

The strong performance of labour market indicators continued into 2014 with gains in both the size of the labour force and total employment. Average annual employment is estimated to have increased to near 19,900, while the average annual labour force is expected to increase to almost 20,800. With employment gains outpacing labour force gains the unemployment rate fell to an average of just over 4 per cent in 2014.

Yukon's labour market should remain relatively healthy in the near-term. Average annual employment is expected to remain near 20,000 in 2015 and 2016, with average annual labour force remaining near 21,000. The unemployment rate is expected to remain relatively low in the near-term, but increase to 5.0 per cent in 2015 before a further increase to 5.5 per cent in 2016.

Yukon's labour force is expected to post annual growth out to 2019. The labour force is forecast to total a record 22,300 in 2019, over 9.0 per cent higher than the average of 20,400 for 2013.

Outside of a small decline in 2015, employment is expected to perform well in the medium-term. Employment is expected to peak at 21,100 in 2018 (9 per cent higher than the average of 19,300 in 2013) and remain at that level in 2019. On an industry basis, the majority of the average annual employment gains are noted in Construction (+600).

Yukon's unemployment rate is expected to be variable over the period 2015-2019 but will generally remain low, averaging 4.9 per cent.

Economic Sectors

Mining

The primary driver of the current medium-term growth forecast for Yukon is the mining sector, however, forecast assumptions related to the mining sector currently have the highest degree of uncertainty.

The future performance of Yukon's mining sector depends on a number of factors, including global commodity prices, availability of financing, regulatory stability, past performances of projects, mineral prospects elsewhere and global economic growth.

The outlook for Yukon's mining sector in the medium-term remains positive with the expectation of growing annual production and the addition of new mining projects. Following lower mineral production in 2014, the outlook is for an increase in 2015 followed by a period of high annual values of mineral production with mineral production exceeding $1 billion in 2019.

Increased mineral production and higher development spending are anticipated to contribute to high levels of GDP associated with mining. During the period 2015-2019 the mining and oil & gas extraction component of real GDP is expected to peak at close about $640 million in 2019, and average over $560 million (compared to an estimated value of $423 million for 2013).

The forecast includes continued production at Yukon's three existing mines and the addition of development and production from two new mines during the next five years:

- Eagle Gold – development in 2016-2017; production in 2018; estimated capital cost of ~$400 million; 400 workers during construction; 400+ workers during peak operations
- Casino – development in 2016-2019; full production by 2020; estimated capital cost of ~$2.5 billion; 1,000 workers during construction; 600 workers during peak operations

Given its potential magnitude, the development of the Casino Project as currently envisioned would have significant impacts over the medium-term and beyond. With development costs of about $2.5 billion (most development work is forecast for 2017 and 2018) and a requirement for up to 1,000 workers at peak construction, development of this mining property results in substantial economic impacts over the forecast period. The forecast calls for the construction GDP component to grow to over $400 million in 2017, followed by a contribution of over $420 million in 2018. These values are significant given that the contribution to GDP from construction in 2013 was reported as $157 million.

This forecast also assumes Alexco Resources Corporation will return to production in 2015, but at a higher rate of production reflecting publically announced plans from December 2013.

For placer mining, the expectation is for annual placer gold production to remain relatively stable over the medium-term, and average 50,000 ounces for 2015-2019.

Because of the variable nature of exploration activity, it is very difficult to forecast future levels of exploration activity. The expectation is that Yukon will continue to be considered a region of high potential which is generally under-explored, making it a viable option for exploration activities.

Finally, construction work related to reclamation of the Faro mine is expected to take about 15 years to complete, at a total cost of $700 million. Over the medium-term, work will ramp up on the reclamation of the site of the former Faro mine with completion and approval of design and engineering plans, followed by the beginning of major construction work.

Oil & Gas

The forecast includes the assumption that the value of oil & gas in terms of GDP will not be significant throughout the medium-term as no new projects are included in the forecast. What transpires in the near-term could impact the assumptions going forward for oil & gas, including activities related to restarting gas production at the Kotaneelee field as well as exploration activities in the Eagle Plain area.

Natural gas development in the territory in the medium-term will also depend on a number of factors such as the performance of natural gas prices, gas production in other jurisdictions, the level of local exploration and the development climate in Yukon.

Tourism

While not explicitly modeled in the forecast, the expectation is that Yukon border crossings will grow over the forecast period. Border crossings in 2013 posted growth of 7.3 per cent, increasing to over 350,000. Current expectations are that border crossings will post a decline of about three per cent to 340,000 in 2014, before growing to 347,000 in 2015 and to almost 354,000 in 2016.

Beyond 2016, the assumption is that Yukon's border crossings will post modest growth of 1.0 per cent annually, which would see Yukon's border crossings approach 365,000 by 2019.

Construction

As noted previously, significant construction growth is expected related to the mining sector, including development of two new mines, the Eagle Gold and Casino mining projects. Total capital cost of these projects is estimated at close to $3.0 billion.

Activity is also anticipated throughout the forecast period for construction within the government/institutional (F.H. Collins School) and residential (Whistle Bend subdivision) areas.

In terms of construction-related GDP, following a decline in 2015, the forecast calls for the annual value to increase for three consecutive years before posting a decline in 2019. Construction activity primarily related to development of new mining projects is expected to contribute to very strong growth in construction-related GDP of 22 per cent and 107 per cent in 2016 and 2017, respectively. At over $420 million in 2018, construction-related GDP would be 2.7 times the estimated value of $157 million in 2013 and account for 15 per cent of Yukon's total GDP.

Retail Trade

Following a decline in retail trade in 2013, the outlook is for six consecutive years of growth. The 2013 decline is in part related to weakness in the local mining sector, with lower levels of exploration and development spending accompanied by layoffs at two of the three producing mines and a temporary shutdown of the Bellekeno mine.

Increases in the size of the overall economy, as well as projected population and employment growth, are expected to contribute to retail sales growth over the medium-term. The forecast calls for retail sales of almost $670 million in 2014, which will be a 2.5 per cent increase from 2013. For the period 2015-2019 annual growth in retail sales is expected to average 5.3 per cent. In the medium-term the value of retail sales is expected to peak at over $860 million in 2019.

Key Economic Indicators – Five-year Economic Outlook

Indicator	2013	2014f	2019f	Average Annual Change 2015 to 2019
Population	36,604	36,750	38,600	1.0%
Labour Force	20,400	20,775	22,300	1.5%
Employment	19,300	19,900	21,100	1.2%
Unemployment Rate	5.4%	4.2%	5.6%	4.9% (average of annual rate)
Real GDP by Industry (chained 2007 $, millions)	$2,209	$2,235	$2,822	5.3%
CPI (2002 = 100)[1]	122.8	124.5	139.5	2.4%
Value of Mineral Production ($ millions)	$495	$430	$1,080	30.4%
Value of Retail Sales ($ millions)	$652	$669	$864	5.8%
Non-resident Border Crossings	350,095[2]	340,000	364,500	1.4%

f = forecast, e = estimate, p = preliminary

[1] Data is available for Whitehorse only.
[2] As reported by the Department of Tourism & Culture.

Endnotes

[1] World Economic Outlook – Legacies, Clouds, Uncertainties (October 2014). International Monetary Fund. http://www.imf.org/external/pubs/ft/weo/2014/02/pdf/text.pdf

[2] Quarterly Economic Forecast (September 25, 2014). TD Economics. http://www.td.com/document/PDF/economics/qef/qefsep2014_global.pdf

[3] Unless otherwise noted, all data from this section is sourced from International Monetary Fund, *World Economic Outlook – Legacies, Clounds, Uncertainties (October 2014)* http://www.imf.org/external/pubs/ft/weo/2014/02/pdf/text.pdf

[4] "Monetary Policy Report (October 2014)". Bank of Canada. http://www.bankofcanada.ca/wp-content/uploads/2014/07/mpr-2014-10-22.pdf

[5] "Bank of Canada maintains overnight rate target at 1 per cent". Bank of Canada. http://www.bankofcanada.ca/2014/12/fad-press-release-2014-12-03/

[6] Accurate population estimates are not available for the time of the Klondike Gold Rush.

[7] Consumer Price Index data is only available in Yukon for Whitehorse.

[8] Monetary Policy Report Summary (October 23, 2013). Bank of Canada. http://www.bankofcanada.ca/wp-content/uploads/2013/mpr_summary_october2013.pdf

[9] Energy is an aggregate that includes electricity, natural gas, fuel oil and other fuels and fuel, parts and supplies for recreational vehicles.

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